

A PROPOSAL

To Raise a Million of Money by Credit on a Publick Bank.

Publick Banks were at first Established by the Traders agreeing to pay into the Bank a fixt and certain Sum of Money, which was to lye there to Answer the Notes that the several Owners of the Money should draw on the Bank; and to avoid the perpetual telling over the Money, those Notes drawn on the Bank were made Transferrable.

The Advantage from such Pubick Banks were these :

First. IT makes Payment of Money very easie, Two Thousand Pounds may be Paid and Transferred in less than a Quarter of an Hour; which otherwise would require two days time to tell the Money over.

Secondly. It prevents the loss in taking bad Money.

Thirdly. It avoids the care and hazard of being robbed or otherwise losing the Money where it is Lodged. These Conveniences by Experience were found so great, that in a short time after the Banks were settled, the Money in Bank grow to be of more Value than the same Sum of Money out of the Bank, One hundred pounds in the Bank at *Amsterdam*, is worth One hundred pounds, and Three Pounds; and a Hundred pounds in the Bank at *Venice*, is worth one hundred and five pounds, and so is Money in the other Two Banks of *Hamburg* and *Genua*, of more value than the same Sum of Money out of the Bank.

So that the money now in the several Banks lies dead, and is of no other use, but as a Fund, or Security, to make good the Payments, if any Accident should happen that might lessen the Credit of the Bank. And in *Venice*, though it is publickly known, that the States have long since borrowed and made use of all the money in the Bank, yet the Credit of the Bank is the same as it was before, because the States have obliged themselves to repay the money when ever there shall be occasion for it, and no man will desire to receive One hundred pound out of the Bank, so long as he may receive one hundred and five pounds by Transferring his Note upon the Bank.

It was thought necessary to say thus much concerning Banks in General, that this Proposal might be easier understood, which is this :

First, That a Publick Bank consisting of the value of a Million of money should be established by Act of Parliament, which Act is to declare, That the Parliament will hereafter when occasion shall require, raise a Million of money to pay all those that have advanced Money or Goods upon the Credit of this Bank; that is, to whom the Million will be then owing. This Bank may be thus divided; One Moiety for the City of *London*, and the other Moiety for the rest of the Trading Towns and Cities in *England*.

Secondly, That the King shall Transfer and Assign either by the Great Seal, or the Seals of the Treasury, Navy-Board, Victualling-Office, Ordinance, &c. This Million upon the Credit of this Act to those Persons that have advanced Goods or Money to the value of that Sum, The Names of the Persons in this Assignments, with the several Sums of Money due to them, shall be Registered in a Book, which is to be kept in the Bank: Which Registering of them shall Entitle them and their Assigns to the Million of Money when ever it shall be raised: And the King shall be thereby Discharged of this Million which he owed for Goods or Money lent him.

Thirdly, That those Persons to whom the King did Assign this Million, shall have power by the said Act to Transfer the said several Sums, or any part of them (not being less than Ten Pounds) to the King, or any other Person to whom they shall be indebted, either for Customes, Excise, Goods Bought, or Sums of Money Borrowed; which Transferring of this Credit in the Book, shall be Accounted a good and legal payment in Law; as if so much money had been actually paid for the Customs, Excise, Goods, or Money Borrowed.

Fourthly, From one Person to another, That this Transferring of this Credit in the Book, shall continue to be a Good and Legal Payment in Law, until a Parliament shall raise a Million of money to Discharge the said Debt.

This Act of Parliament will be a better Fund for a publick Bank, than if the whole Million did lye in ready Cash in the Bank, For these Reasons :

First, If the Fund of Credit were in ready money, then it might be liable to this Objection, That the King or Government, when Emergency of Affairs did press them, might seize the Money, which would destroy the Credit of the Bank.

Secondly, The Credit and Notes upon this Bank thus settled, must always pass for so much ready Money, till the Act be Repealed: Now it can never consist with the Justice nor Interest of any Parliament, to Repeal the Law without raising the Money, because they would do a manifest Injury by destroying the Bank, and receive no Advantage by it; for they are under no necessity of raising the Money so long as the Notes continue in currant Payment.

Thirdly, No Alteration of Government can lessen the Credit of this Bank thus established; For in all Probability, one Moiety of this Credit will be always like (so much ready Cash) in the Exchequer; and when the People shall be in fear of any Alteration, They will be more Industrious to Transfer this Credit upon the Customs, Excise, and other publick Revenues; So that. It will not be the Interest of any Government upon any Alteration to refuse a payment on this Credit, when the greatest part of this Credit will be belonging to the Exchequer, and would pass again out of the Exchequer as much ready money, if the Government did not refuse to accept it, and so put a stop to it.

Thus by this Proposal, the King may pay and discharge a Million of Money owing for Goods, or Money Borrowed, which will be the same as if he actually received so much ready Money, and the Subject will have an equal Advantage with the King by this Publick Bank:

First, For this running Credit in Bank will be as good as a Millon of money added to the Nation; which will Increase the Trade of the Nation.

Secondly, This Bank being divided into several Cities and Towns in *England*, will make the payments in the Countrey very easie.

Thirdly, It will prevent the loss that happens by Robbery in returns of money.

Fourthly, It will help to preserve the money in the Countrey, which the scarcity of it (occasions by sending it up to London,) doth much prejudice the Trade and Manufactories of the Countrey.

To Conclude, Besides the Advantage of a Publick Bank to the King, by raising a Million of Money, And the Benefit to the People by making payments Ease, Quick, Safe, and Certain. It is now become the Concern and Interest of the Government, for promoting the welfare and Trade of the Nation, that such a Bank should be established.

For since *London* is grown to have as equal a share of Trade, (if not a greater) with those Cities of *Amsterdam*, *Hamburg*, *Genua*, and *Venice*, where such publick Banks are established, They ought to have the same encouragement from the Government, for the ease and management of their Trade. And since by experience 'tis found, that for want of such a Bank, the people of *England* have lost above Two Millions within this 25 Years, by putting their money into *Goldsmiths* Hands. It is very reasonable that such a Bank should be established, to prevent the like future Losses to the People.